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- Residents of West Vancouver, North Vancouver and Kitimat have highest average earnings.
- Housing starts rebound in February.
- BC households spent \$253 million on bingo, slots and other casino activities in 1999.

2001 Census

- The average BC wage earner took home \$31,544 in 2000, up 4.6% from 1990. Workers in BC had the third-highest average earnings in the country, behind Ontario (\$35,185) and Alberta (\$32,306). The national average was \$31,757. Of full-time workers in BC, 16% were considered low earners, making less than \$20,000 in 2000. Just over half (51%) of them were women. Most of the low earners (56%) had no post-secondary education, while 29% had gone to trade school or obtained a college certificate. Fifteen percent had university degrees. *Source: 2001 Census of Canada*

- Average earnings were highest in the district municipalities of West Vancouver (\$64,649), North Vancouver (\$42,202) and Kitimat (\$41,483). Among the cities, White Rock (\$40,730), Port Moody (\$38,293) and Coquitlam (\$34,066) had the highest average earnings. Workers living in the cities of Parksville (\$23,312), Nelson (\$25,041) and Penticton (\$25,115) brought home the smallest paycheques. *Source: 2001 Census of Canada*

- Of the 242,310 people aged 20-24 in BC, 37% were full-time students in 2000. Another 13% were attending school part-time. The municipalities of Oak Bay (63%), West Vancouver (60%) and North Saanich (57%) had the highest percentages of people aged 20-24 attending school full-time. *Source: 2001 Census of Canada*

- Of all people aged 25-64 in BC, 19% do not have a high school diploma while 24% have received a university degree. Another 13.8% have obtained a trade certificate or diploma and 18.7% are college graduates. *Source: 2001 Census of Canada*

The Economy

- Exports of BC products increased 0.7% (seasonally adjusted) in January, the second consecutive month of growth. Exports to the United States were up 1.5% mainly due to higher energy product exports (+26.3%). This helped outweigh losses in forestry (-3.4%), agriculture and fish (-2.2%) and machinery and equipment (-4.9%). Exports to other countries fell 1.1% due to declines in forestry (-1.6%) and industrial goods (-14.4%).

Source: Statistics Canada & BC STATS

- The number of new motor vehicles sold in BC and the territories dropped 0.9% (seasonally adjusted) in January. Across the country sales plummeted 14.1% as incentives offered by manufacturers were discontinued. There were double-digit losses in every province except BC (-0.9%) and Alberta (-9.5%). Newfoundland (-39.7%), PEI (-22.1%) and New Brunswick (-21.9%) saw the largest declines.

Source: Statistics Canada

Housing

- After two months of decline, housing starts in the province climbed 23.0% (seasonally adjusted) during February. Nationally, the number of housing starts rose 34.5%. Starts jumped 72.4% in Ontario and 71.4% in Nova Scotia. Despite the strong national performance, starts were down in five provinces. *Source: CMHC*

- The cost of new housing in Vancouver and Victoria continued to rise in January. The new housing price index for Vancouver was up 2.1% from the same month last year, mainly due to rising house costs (+3.3%). Land prices remained fairly flat (+0.1%). In Victoria, the cost of new housing jumped 5.9% with both land (+4.2%) and housing prices (+8.1%) increasing. *Source: Statistics Canada*

Did you know...

BC has the most highly-educated working age population in the country.

Public Sector

- On a per capita basis, spending by provincial and local governments in BC reached \$8,789 in 2001/2002. Most of the expenditures were on health (\$2,616), education (\$1,847) and social services (\$1,148). Nationally, per capita expenditures by provincial, territorial and local governments were somewhat higher, at \$8,982. Nunavut had the highest per capita expenditures at \$31,131. Among the provinces, Alberta (\$9,790) spent the most per capita. Health spending was highest in Newfoundland and Labrador (\$2,951) and lowest in New Brunswick (\$2,276). BC (\$1,847) spent the least per capita on education while Alberta (\$2,405) spent the most.

Source: Public Institution Division, Financial Management Statistics SC Catalogue 68-213-XIE

- BC's deficit was \$1.9 billion in 2001/2002 or \$459 per capita. Only Yukon (\$1,296) and Alberta (\$536) had larger per capita deficits. Northwest Territories had the highest per capita surplus at \$850, followed by Ontario with \$199 in surplus per person. BC's net debt sat at \$15.4 billion in 2001, or \$3,789 per person. Excluding Alberta, BC had the lowest rate of per capita debt amongst the provinces. Alberta was the only province with a net surplus (\$10 billion or \$3,292 per capita).

Source: Public Institution Division, Financial Management Statistics SC Catalogue 68-213-XIE

Note: Revenue and expenditure data reported by Statistics Canada are based on financial management system statistics which use a broader definition of government than is used in the public accounts.

- Public sector employment in BC grew 0.8% in the fourth quarter of 2002, compared to the same period of 2001. The number of people employed by the military rose 4.8%, contributing to a 2.6% increase in the number of British Columbians working for the federal government. Employment at the provincial level declined, as there were 11.9% fewer people working for the provincial government. There were more people working at both universities and colleges (+6.6%) and health and social service institutions (+3.0%).

Source: Public Institutions Division, Statistics Canada

- There were 89.2 public sector workers for every 1,000 people living in BC in the fourth quarter of last year. This was the third lowest public sector employment rate in the country, after Alberta (83.9) and Ontario (83.6). The national rate was 92.1.

Source: BC Stats

Entertainment

- The average household in BC spent 1.6% or \$873 of its budget on entertainment services in 1999, including \$253 million on bingos, casinos and slot machines. These activities accounted for 19% of entertainment spending, with 17% of households trying their luck at casinos and slots and 6% playing bingo. Spending at cinemas and on video rentals accounted for another 23% of entertainment expenditures. Cablevision and satellite (41%) and sporting events (4%) were also popular choices.

Across the country, Canadians spent 1.6% of their household budget on entertainment services. Spending on bingo, casino slots and VLTs accounted for 22% of entertainment purchases. The number of households with spending in these areas was significantly higher in provinces with VLTs, such as Alberta (25%).

Source: SC Catalogue 63F0002XIB

The Nation

- For the first time in two years, labour productivity in the Canadian business sector fell (-0.6%) in the fourth quarter of 2002. Despite a 0.7% increase in hours worked, output rose only 0.2%. Overall, labour productivity in the business sector rose 2.2% last year. Output gained 3.8% while hours worked grew 1.5%.

Source: Statistics Canada

- Industrial capacity use slipped 0.2% in the last quarter of 2002 as Canadian businesses operated at 82.9% of full capacity. Forestry and logging saw a 1.4% decline in capacity utilization. In manufacturing industries, utilization remained constant (0.0%). However, utilization rates in wood (+3.4%) and paper (+0.3%) manufacturing were up.

Source: Statistics Canada

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Team Canada's Planned Return to Europe

In late March, [see note] Prime Minister Jean Chrétien will lead a Team Canada trade mission to the Netherlands, the United Kingdom and Italy. The last Team Canada mission to Europe in February 2002 resulted in approximately \$584 million in new deals in Germany and Russia in areas ranging from education and research to housing and entertainment. The 2003 mission will focus on areas ranging from aerospace to agri-food, reflecting the economic diversity of the three countries. The United Kingdom (UK), Italy and the Netherlands rank fourth, seventh and fourteenth respectively in terms of the size of their economies.¹

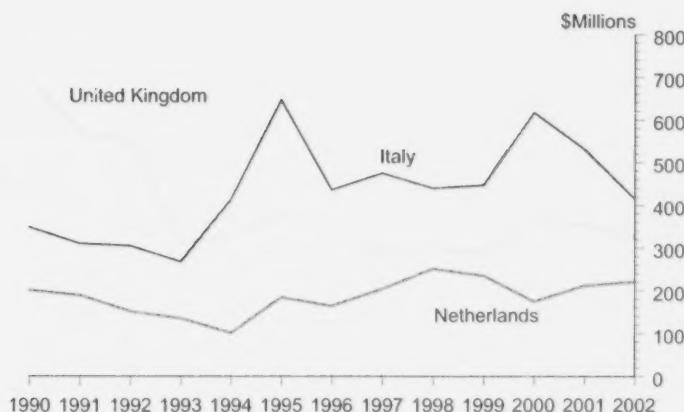
These three countries are all important destinations for exports, both for Canada as a whole as well as for British Columbia specifically. The UK was third behind only the US and Japan as a destination for Canadian exports in 2002, although it was only the seventh largest market for BC exports. The Netherlands ranked tenth for Canada and ninth for BC. Italy, which was the 11th largest market for Canadian exports, ranked higher than both the UK and the Netherlands as a destination for BC origin exports. It trailed only the US, Japan, China and South Korea, making it the fifth most significant market for BC commodities and the top ranked European destination.

The last Team Canada mission to Europe garnered over half a billion dollars in new business for Canadian companies

Note:

The mission to Europe has been postponed, as world leaders focus their energies on developments around the crisis in Iraq.

BC has significant exports to all three countries to be visited during the Team Canada mission

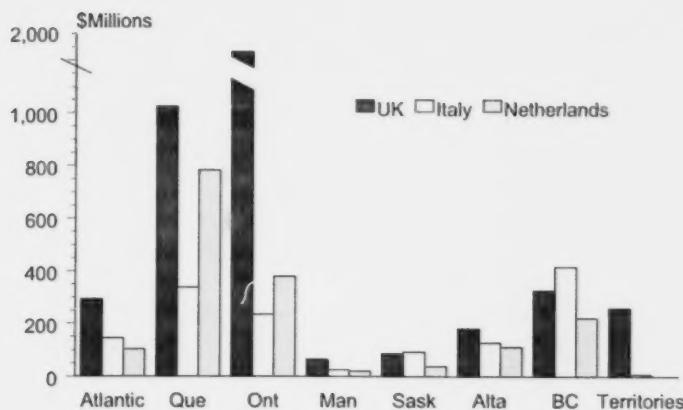


Italy has overtaken the United Kingdom as the top European destination for BC origin exports

¹ Source: Department of Foreign Affairs and International Trade, Government of Canada.

Among the provinces and territories, British Columbia has the third largest share of Canadian exports to both the UK and the Netherlands, but it ranks as the number one supplier of Canadian goods to Italy.

British Columbia has the largest provincial share of exports to Italy



In 2002, BC ranked first among the provinces in exports to Italy and third behind only Ontario and Quebec in exports to the UK and the Netherlands

Approximately 30% of Canada's exports to Italy are pulp, which is one of the reasons why BC ranks first among the provinces in terms of exports to that country. Almost three-quarters of Canadian pulp shipped to Italy in 2002 originated in BC. Other significant BC exports to Italy were softwood lumber and coal. Once again BC is the predominant Canadian supplier of these goods to Italy.

Quebec is the top Canadian exporting province to the Netherlands. Aluminum products constituted about one-quarter of all Canadian exports to the Netherlands in 2002 and most of that came from Quebec. Over half of Quebec's exports to the Netherlands in 2002 were comprised of aluminum. Surprisingly, BC was the source of none of the aluminum to the Netherlands, despite the fact that it is the source of a significant portion of Canada's total aluminum production. British Columbia's top exports to the Netherlands were coal and pulp. Almost all coal shipped to the Netherlands in 2002 originated in BC and about two-thirds of the pulp was a BC product.

Ontario was far and away the leader in terms of exports to the UK in 2002. The leading export from Ontario to the UK was nickel, which made up over a fifth of Ontario's total exports to the UK. Ontario was the source of the great majority of all Canadian nickel exports to the UK. British Columbia's top exports to the UK were pulp, coal and softwood lumber.

BC's top exports to Italy, the UK and the Netherlands were generally pulp, coal and softwood lumber

2002 BC Origin Exports to the United Kingdom, Italy and the Netherlands
- Selected Commodities -

	UK (\$,000)	% of Canada	Italy (\$,000)	% of Canada	Netherlands (\$,000)	% of Canada
SOLID WOOD PRODUCTS	61,429	45%	47,887	75%	30,500	70%
Lumber (softwood)	51,559	79%	47,485	98%	29,302	98%
Cedar Shakes & Shingles	1,253	100%	68	100%	0	-
Plywood (softwood)	6,016	100%	191	100%	91	100%
Selected Value Added Wood Products	2,211	6%	0	0%	172	6%
Other Solid Wood Products	390	1%	143	1%	935	9%
PULP & PAPER PRODUCTS	98,778	20%	304,977	65%	78,487	47%
Pulp	90,651	42%	304,479	74%	78,365	66%
Newsprint	0	0%	59	0%	0	0%
Paper, Paperboard, Exc. Newsprint	7,860	68%	74	1%	118	36%
Other Pulp & Paper Products	267	2%	365	6%	5	0%
AGRICULTURE & FOOD OTHER THAN FISH	9,424	4%	1,647	1%	8,156	13%
Fruit & Nuts	1,664	14%	0	0%	241	14%
Vegetables	71	0%	1,079	3%	326	5%
Other Agriculture & Non-Fish Food	7,688	4%	568	1%	7,589	14%
FISH PRODUCTS	24,496	36%	1,852	13%	1,118	16%
Whole Fish; Fresh, Chld, Froz Exc Salmon	3,771	68%	823	59%	0	0%
Salmon; Canned, Smoked, Etc.	20,383	99%	909	100%	1,059	100%
Other Fish Products	342	1%	120	1%	60	1%
METALLIC MINERAL PRODUCTS	1,467	0%	0	0%	13,009	2%
Molybdenum Ores & Concentrates	0	-	0	-	12,805	100%
Unwrought Aluminum	1,265	4%	0	0%	0	0%
Unwrought Zinc	0	-	0	0%	0	-
Other Metallic Mineral Products	202	0%	0	0%	204	0%
ENERGY PRODUCTS	67,335	85%	43,155	78%	77,174	50%
Coal	67,335	87%	43,155	92%	77,174	97%
Other Energy Products	0	0%	0	0%	0	0%
MACHINERY AND EQUIPMENT	49,304	3%	11,110	3%	9,959	2%
Motor Vehicles & Parts	2,312	4%	532	9%	1,344	13%
Electrical & Electronic / Communications	18,795	5%	1,410	5%	1,546	1%
Other Machinery & Equipment	28,197	2%	9,168	3%	7,069	3%
PLASTICS & ARTICLES OF PLASTIC	1,653	4%	716	4%	136	1%
APPAREL & ACCESSORIES	635	3%	108	7%	276	9%
OTHER BC EXPORT COMMODITIES	10,947	1%	2,898	2%	2,711	2%
GRAND TOTAL	325,468	8%	414,350	30%	221,528	13%

Given the industrialised nature of the three European countries profiled here, it is not all that surprising that the top Canadian exports to these countries tend to be resource-based commodities that are generally used as inputs into other processes. However, there are also large volumes of manufactured goods sent to these countries, particularly aircraft and parts from Quebec. For British Columbia, Italy and the UK are significant destinations for high technology goods produced in the province. These are some of the areas that will be highlighted in the upcoming trade mission, which may help boost their profile.

Overall, Canada has a commodity trade deficit with both the UK and Italy, but has a trade surplus with the Netherlands. In 2002, Canada's top commodity imports from the UK consisted of petroleum and aircraft parts, while helicopters and wine led the list for goods imported from Italy, and petroleum, aircraft and beer were the top imports from the Netherlands.

Canada's Trade in Goods, 2002 (\$Millions)²

	United Kingdom	Italy	Netherlands
Goods Exports	4,167	1,387	1,657
Goods Imports	9,726	4,434	1,465
Goods Balance	-5,560	-3,047	192

Source: Statistics Canada

Canada has a commodity trade deficit with both the UK and Italy, but a trade surplus with the Netherlands

Canada's Trade in Services, 2000 (\$Millions)

	United Kingdom	Italy	Netherlands
Services Exports	3,614	371	451
Services Imports	4,143	651	498
Services Balance	-529	-280	-47

Source: Statistics Canada, Canada's International Trade in Services, 2001, catalogue 67-203-XPB

For trade in services, Canada has a trade deficit with all three countries

In terms of services, Canada has a trade deficit with all three countries. The biggest deficit is with the UK, mostly due to the fact that two-way trade in services between Canada and the UK dwarfs that of the other two countries. The largest deficit is with regard to transportation and government services. Most of the deficit with Italy is because Canada imports 2.5 times more travel services from Italy

² Note that data for trade in services presented here is on a balance of payments basis, whereas data for trade in goods is on a customs basis. Therefore, the data is not strictly comparable and should not be summed.

than it exports. In other words, Canadians spend more tourist dollars in Italy than vice versa. This is not the case with the Netherlands, where Canada has a travel services surplus; however, trade in commercial, transportation and government services with the Netherlands is in a deficit situation.

Canada's ties to these three countries have been strong through most of its existence. Canada was once a colony of the United Kingdom and most of its early settlers were from that country, and throughout the early 20th century, immigrants from Italy and the Netherlands were among the largest groups of new Canadians. In terms of trade, there has also been a long history, particularly with the UK, which was once Canada's top trade partner before being supplanted by the United States. The Team Canada trade mission will ensure that the trade ties to these three countries remain strong. British Columbia should benefit from this mission, perhaps even more than some previous trade excursions, due to the strong trade relationships that already exist with all three of the mission's target countries.

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BC at a glance . . .

POPULATION (thousands)		Oct 1/02	% change on one year ago
BC	4,151.0		
Canada	31,485.6		0.9
GDP and INCOME		2001 Revised	% change on one year ago
(BC - at market prices)			
Gross Domestic Product (GDP) (\$ millions)	130,859		1.2
GDP (\$ 1997 millions)	123,912		-0.2
GDP (\$ 1997 per Capita)	30,252		-1.1
Personal Disposable Income (\$ 1997 per Capita)	19,513		1.2
TRADE (\$ millions, seasonally adjusted)		Jan '03	% change on prev. month
Manufacturing Shipments - Dec	2,884		
Merchandise Exports - Jan	2,466		0.5
Retail Sales - Dec	3,380		0.7
CONSUMER PRICE INDEX		12-month avg	% change
(all items - 1992=100)			
BC	119.0		2.5
Canada	121.4		2.5
LABOUR FORCE (thousands)		Feb '03	% change on prev. month
(seasonally adjusted)			
Labour Force - BC	2,180		0.6
Employed - BC	2,002		0.6
Unemployed - BC	178		0.6
Unemployment Rate - BC (percent)	8.2	Jan '03	8.2
Unemployment Rate - Canada (percent)	7.4		7.4
INTEREST RATES (percent)		Mar 12/03	Mar 13/02
Prime Business Rate	4.75		
Conventional Mortgages - 1 year	5.10		3.75
- 5 year	6.60		5.00
US/CANADA EXCHANGE RATE		Mar 12/03	Mar 13/02
(avg. noon spot rate) Cdn \$	1.4723		
US \$ (reciprocal of the closing rate)	0.6780		1.5932
AVERAGE WEEKLY WAGE RATE		Feb '03	% change on one year ago
(industrial aggregate - dollars)			
BC	679.14		3.5
Canada	658.93		2.1
SOURCES:			
Population, Gross Domestic Product, Trade,		Statistics Canada	
Prices, Labour Force, Wage Rate			
Interest Rates, Exchange Rates: Bank of Canada Weekly Financial Statistics			
For latest Weekly Financial Statistics see www.bankofcanada.ca			

Released this week by BC STATS

- Labour Force Statistics, February 2003
- Quarterly Regional Statistics, 4th Quarter 2003
- Exports, January 2003

Next week

- Consumer Price Index, February 2003